

## **STATEMENT FROM STUART S. ZISHOLTZ**

While attempting to obtain new work, many subcontractors overlook the necessary paperwork. In fact, many times subcontractors start their work without a signed written agreement which can cause numerous problems and issues later on.

Recently, the Appellate Court rendered a decision involving an electrical subcontractor who performed work for an owner on various projects. The electrical contractor agreed to start performing its electrical services and preparing electrical drawings without first obtaining a written contract. The electrical contractor was promised the electrical contract for the project. Unfortunately, the contract was not awarded to the electrical contractor and a lawsuit ensued for services rendered.

The Appellate Court decided in favor of the electrical contractor finding that the quasi contractual claims can proceed against the owner. The Court held that the electrical contractor performed its services with the expectation that it would get the contract and be paid. The electrical contractor was fortunate because it did not have a written contract and its documentation was sparse.

Once again, it is essential to obtain all written signed agreements before commencing with the work. To rely on promises, representations or prior experiences do not justify the headaches that may ensue.

Never let your lien time run out!

For a free copy of a pamphlet pertaining to mechanic's lien and payment bond claims, kindly contact me or the Association.